Take over of Punalur Paper Mill in Kerala

470. SHRI KODIKKUNNIL SURESH: Will the PRIME MINISTER be pleased to state:

(a) Whether the Government propose to take over the Punalur Paper Mill in Kerala;

(b) if so, whether the Government have directed the Hindustan Paper Corporation to consider the take over of the Punalur Paper Mill and if so, the details thereof; and

(c) the criteria adopted for re-opening of sick units in the country?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P. J. KURIEN): (a) and (b) State Government of Kerala had requested the Government of India to consider taking over of the management of M/s Punalur Paper Mills Ltd. by Hindustan Newsprint Limited (HNL). At the instance of the State Government, HNL conducted a feasibility study which shows that it will not be viable to run the Punalur Paper Mills Ltd. in the present state of its plant and machinery. Therefore, Hindustan Paper Corporation Limited of which HNL is a subsidiary company has expressed itself against the taking over of the management of M/s Punalur Paper Mills Ltd.

(c) Under the provisions of Section 18A and 18AA of the Industries (Development & Regulation) Act, 1951, Government have authorised the take-over of the management of some industrial units throughout the country. However, take-over of management has not so far proved to be a successful instrument for revival of sick units. The present policy does not, therefore favour such takeover. No unit has been taken over under the provisions of the Industries (Development & Regulation) Act, 1951 since 1982. The general current policy of the Government which is crystallized over the years is neither to takeover non-viable sick industries not to nationalise them. The Government is laying more emphasis on preventive rather than curative measures. Also, as a policy, the Government does not favour nationalisation of sick/taken-over units so that the scarce resources of the country can be deployed for setting up viable and efficient new units.

Molasses Distillation as Automotive Fuel

471. SHRI GOVINDRAO NIKAM: Will the PRIME MINISTER be pleased to state:

(a) whether molasses distillation can be used as automotive fuel;

(b) if so, the details thereof;

(c) whether the Government have any proposal to take any policy decision to commercialise molasses distillation:

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P. J. KURIEN): (a) and (b) Yes, Sir. Distillate of molasses can be used as automotive fuel either straight or as a blend with gasoline or diesel. Blend of about 10% of Ethanol with gasoline can be used without major modification to fuel systems of vehicle.

(c) to (e) The techno-economic feasibility to use ethanol as automotive fuel commercially in the country, is yet to be established.

[*Translation*]

Demand and Supply of Fertilisers

472. SHRI SATYA NARAYAN JATIYA: Will the PRIME MINISTER be pleased to state:

(a) the details of production, demand, supply and import of each type of fertilizer in the country during the last three years, yearwise: